

APPENDIX C TO DIR CONTRACT NO. DIR-SDD-649

VERIZON BUSINESS SERVICE AGREEMENT

Verizon Business Network Services Inc. 22001 Loudoun County Parkway Ashburn, VA 20147	CUSTOMER'S LEGAL NAME ("Customer"):
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

TERMS AND CONDITIONS

This Verizon Business Service Agreement ("Agreement") is made by and between "Verizon," which refers to Verizon Business Network Services Inc., on behalf of MCI Communications Services, Inc. d/b/a Verizon Business Services and any other Verizon affiliates identified in applicable service attachments or the Guide (individually and collectively), and Customer pursuant to DIR Contract No. DIR-SDD-649. This Agreement is binding upon execution by the parties named above. The pricing in this Agreement is effective **(a)** when Service (defined below) is installed or **(b)** the first day of the second full billing cycle following execution and delivery of this Agreement by Customer to Verizon, as applicable, except where a Service Attachment indicates otherwise for a particular service ("Effective Date"). Pricing and/or promotional benefits in this Agreement may not be available if it is signed and delivered to Verizon after the dates, if any, set forth in attachments or exhibits to this Agreement. Customer is defined in Section 2.A. of Appendix A of the DIR Contract No. DIR-SDD-649.

Customer Consent to Use of Customer Proprietary Network Information (CPNI). Verizon acknowledges that it has a duty, and Customer has a right, under federal and/or state law to protect the confidentiality of Customer's CPNI. CPNI includes information relating to the quantity, technical configuration, type, destination, location, and amount of use of the telecommunications services Customer purchases from Verizon, as well as related local and toll billing information, made available to Verizon solely by virtue of Customer's relationship with Verizon. With Customer consent, Verizon may share Customer CPNI and other Confidential Information among its affiliates, including Verizon Wireless, and with agents and partners, so that all may use this information to offer Customer the full range of services offered by Verizon and its affiliates, including local, long distance, wireless, and Internet services (see www.verizon.com for a description of Verizon companies and services). By signing this Agreement, Customer consents to Verizon using and disclosing Customer CPNI and Confidential Information as described above. Customer may refuse CPNI consent by signing this Agreement and by notifying Verizon in writing at cpni-notices@verizonwireless.com and cpni-notices@verizonbusiness.com of Customer's decision to withhold Customer's consent. Customer's consent or refusal to consent will remain valid until Customer otherwise advises Verizon, and in either case, will not affect Verizon's provision of service to Customer.

ILECS and Verizon Wireless. The Terms and Conditions below do not apply to Services provided by Verizon incumbent local exchange carriers ("ILECs") or by Cellco Partnership and its affiliates d/b/a Verizon Wireless ("Verizon Wireless"), which are governed solely by the Service Attachments for such Services and, in the case of ILEC Services, applicable Tariffs (defined below). A Verizon Wireless Service Attachment becomes a part of this Agreement only once it is executed by Verizon Wireless and the Customer.

1. **Services.** Verizon will provide the services ("Services") reflected in the Service Attachments. Each Verizon entity contracting under this Agreement is only responsible for the performance of its Services as set forth in this Agreement and the relevant Service Attachment(s), and is not responsible for performance of any other entity's obligations thereunder.

2. **Term and Survival.** The "Term" begins on the Effective Date and ends upon the completion of ____ (__) months. The terms of this Agreement will continue to apply during any service-specific commitments that extend beyond the Term.
3. **Guide.** Verizon's provision of Services to Customer will be governed by Verizon's "Service Publication and Price Guide" ("Guide") at www.verizonbusiness.com/guide, and this Agreement. This Agreement incorporates by reference the terms of the Guide. Verizon may modify the Guide from time to time, and any modification will be binding upon Customer, as provided in the Guide. Customer may enroll to receive email notifications of Guide changes at <http://www.verizonbusiness.com/guide/subscriptions>. If a conflict arises, the order of precedence is: (i) this Agreement (excluding the Guide) and (ii) the Guide. Among the provisions of the Agreement, the order of precedence is: (i) Service Attachments, and (ii) these Terms and Conditions. If Verizon makes any changes to the Guide other than to Governmental Charges that affect Customer in a material and adverse manner, Customer may discontinue the affected Service without liability by providing Verizon with written notice of discontinuance within 60 days of the date the change is posted on the above website, unless within 60 days of receiving Customer's discontinuance notice, Verizon agrees to remove the material adverse effect on Customer. If a Service is discontinued, Customer's AVC (defined below), will be reduced, as appropriate, to accommodate the discontinuance.
4. **Rates and Charges; Taxes.** Customer agrees to pay the rates and charges specified in this Agreement and in accordance with rates specified in Section 4.B. of the DIR Contract No. DIR-SDD-649. The only rates and charges that are eligible to be invoiced under this Agreement are those rates and charges allowed under DIR Contract No. DIR-SDD-649. All rates and charges will be quoted pursuant to the discounts in DIR Contract No. DIR-SDD-649. As per Section 4.E. of the DIR Contract No. DIR-SDD-649 and Section 151.309 of the Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j). Further, pursuant to applicable law, certain Customers may also be exempt from the imposition and collection of certain telecommunication surcharges or fees. Accordingly, as provided by such applicable law, Verizon agrees to not bill for applicable telecommunications surcharges and fees.
5. **Payment.** Customer will make payments in accordance with Section 5.C. of Appendix A of the DIR Contract No. DIR-SDD-649.
6. **Termination.** Termination shall be in accordance with Section 8.B. of Appendix A of the DIR Contract No. DIR-SDD-649.
7. **Confidential Information.** Confidentiality shall be in accordance with Section 7.H. of Appendix A of the DIR Contract No. DIR-SDD-649. Except as required by law or regulation, each party promises that during the Term and for three years after, it will use the other party's Confidential Information only for purposes of this Agreement, not disclose it to third parties except as provided below, and protect it from disclosure using the same degree of care it uses for its own Confidential Information (but no less than a reasonable degree of care). To the extent consistent with the Texas Public Information Act, "Confidential Information" means information (in whatever form) designated as confidential by the disclosing party by conspicuous markings (if tangible Confidential Information) or by announcement at the time of initial disclosure (if oral Confidential Information) or if not so marked or announced should reasonably have been understood as confidential to the disclosing party (or one of its affiliates or subcontractors), either because of legends or other markings, the circumstances of disclosure or the nature of the information itself and that (i) relates to this Agreement or changes to this Agreement relates to the disclosing party's customers, products, services, developments, trade secrets, know-how or personnel; and (ii) is received by the receiving party from the disclosing party during the Term. Confidential Information does not include information that: (a) is in the possession of the receiving party free of any obligation of confidentiality at the time of its disclosure; (b) is or becomes publicly known other than by a breach of this provision; (c) is received without restriction from a non-party free to disclose it; (d) is developed independently by the receiving party without reference to the Confidential Information; or (e) is required to be disclosed pursuant to the Texas Public Information Act. In addition, information, whether or not Confidential Information, may be disclosed by a receiving party as may be required or authorized by applicable law, rule, regulation, or lawful process provided that the receiving party, to the extent practicable and permitted by applicable law, rule, regulation, or lawful process, first notifies the disclosing party in order to permit the disclosing party to seek reasonable protective arrangements.

8. Protection of Customer CPNI and Provision of Customer CPNI to Authorized Customer Representatives.

(a) Verizon will protect the confidentiality of Customer CPNI in accordance applicable laws, rules and regulations. Verizon may access, use, and disclose Customer CPNI as permitted or required by applicable laws, rules, and regulations or this Agreement.

(b) Provided that Customer is served by at least one dedicated Verizon representative under the Service Agreements (that can be reached by Customer by means other than calling through a call center) and as permitted or required by applicable law, Verizon may provide Customer CPNI (including, without restriction, call detail) to representatives authorized by Customer ("Authorized Customer Representatives" as defined below) in accordance with the following:

(c) Verizon may provide Customer CPNI to Authorized Customer Representatives via any means authorized by Verizon that is not prohibited by applicable laws, rules, or regulations, including, without restriction: to the Customer's email address(es) of record (if any) or other email addresses furnished by Authorized Customer Representatives, to the Customer's telephone number(s) of record or other telephone numbers provided by Authorized Customer Representatives, to the Customer's postal (US Mail) address(es) of record or to other postal addresses furnished by Authorized Customer Representatives, or via Verizon's on-line customer portal or other on-line communication mechanism.

(d) Authorized Customer Representatives include Customer employees, Customer agents, or Customer contractors, other than Verizon, who have existing relationships on behalf of Customer with Verizon customer service, account, or other Verizon representatives and all other persons authorized in written notice(s) (including email) from Customer to Verizon. Authorized Customer Representatives shall remain such until Customer notifies Verizon in writing that they are no longer Authorized Customer Representatives as described below. Customer agrees, and will cause Authorized Customer Representatives, to abide by reasonable authentication and password procedures developed by Verizon in connection with disclosure of Customer CPNI to Authorized Customer Representatives.

(e) Customer's notices of authorization or deauthorization must be sent to your service or account manager, and must contain the following information:

- the name, title, postal address, email address, and telephone number of the person authorized or deauthorized
- that the person is being authorized, or is no longer authorized, (as applicable) to access CPNI
- the full corporate name of the Customer whose CPNI (and whose affiliates' CPNI) the person can access (or can no longer access, if applicable)

(f) During the Service Agreements, Customer will at all times have designated, below or in a separate writing sent to the service manager or account manager, up to three representatives ("CPNI Authorizers") with the power to authorize Customer representatives to access CPNI under this Agreement. Additions or removals of CPNI Authorizers will be effective within a reasonable period after Verizon has received a signed writing of the change, including the affected person(s)' name, title, postal address, email address and telephone number.

Name	Title	Tel. No.	Email	Postal Address

9. DISCLAIMER OF WARRANTIES AND CERTAIN DAMAGES. EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, VERIZON MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY VERIZON SERVICES, SOFTWARE OR DOCUMENTATION. VERIZON SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NONINFRINGEMENT OF THIRD-PARTY RIGHTS, OR ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE OR TRADE PRACTICE. NEITHER PARTY IS LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF USE OR LOST BUSINESS, REVENUE, PROFITS OR GOODWILL ARISING IN CONNECTION WITH THIS AGREEMENT UNDER ANY THEORY OF TORT, CONTRACT, INDEMNITY, WARRANTY, STRICT LIABILITY OR NEGLIGENCE EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

10. **Limitation of Liability and Action.** The total liability of Verizon to Customer in connection with this Agreement is limited to the lesser of (a) direct damages proven by Customer; or (b) the amount paid by Customer to Verizon under this Agreement for the 12 month period prior to accrual of the most recent cause of action, excluding amounts for equipment and the Services of Verizon ILECs, security services provided by a Cybertrust Security Service Provider listed in the Guide, and Verizon Wireless. This limitation applies for any and all causes of actions and claims, including without limitation breach of contract, breach of warranty, negligence, strict liability, misrepresentation and other torts. This section does not limit any Verizon liability: (a) in tort for its willful or intentional misconduct; or (b) for bodily injury or death proximately caused by Verizon's negligence; or (c) loss or damage to real property or tangible personal property proximately caused by Verizon's negligence. A party may not bring any action arising out of this Agreement more than 4 years after the cause of action has accrued.

11. **Assignment.** Assignment shall be in accordance with Section 3.D. of Appendix A of the DIR Contract No. DIR-SDD-649.

12. **Service Marks, Trademarks and Name.** Neither Verizon nor Customer may: (a) use any service mark or trademark of the other party; or (b) refer to the other party in connection with any advertising, promotion, press release or publication unless it obtains the other party's prior written approval.

13. **Governing Law; Dispute Resolution.** This Agreement is governed by the laws of the State of Texas without regard to its choice of law principles. Nothing herein shall be construed to waive the sovereign immunity of the State of Texas. Dispute Resolution shall be in accordance with Section 8.A. of Appendix A of the DIR Contract No. DIR-SDD-649.

14. **Notice.** All notices, requests, or other communications (excluding invoices) hereunder must be in writing and transmitted via overnight courier, electronic mail, hand delivery, or certified or registered mail, postage prepaid and return receipt requested to the Customer at the address provided on Page 1 of this Agreement, and to Verizon at the addresses below, unless otherwise stated in the Agreement.

Verizon Business Services
6415-6455 Business Center Drive
Highlands Ranch, CO 80130
Attn: Customer Service

Verizon Business Services
22001 Loudoun County Parkway
Ashburn, VA 20147
Attn: Vice President, Legal

Email: notice@verizonbusiness.com

15. **Acceptable Use.** Use of Verizon's Internet Services and related equipment and facilities must comply with the then-current version of the Verizon Acceptable Use Policy ("Policy") (see www.verizonbusiness.com/terms). Verizon reserves the right to suspend or terminate Internet Services effective upon notice for a violation of the Policy. To the extent authorized by Texas law and constitution, Customer will indemnify and hold harmless Verizon from any losses, damages, costs or expenses resulting from any third-party claim or allegation that if true, would constitute a violation of the Policy. Each party will promptly notify the other of any such claim.

16. **Entire Agreement.** The DIR Contract No. DIR-SDD-649 and this Agreement (including Service Attachments and Exhibits referenced herein, and other documents incorporated by reference) constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all other prior or contemporaneous representations, understandings or agreements. Except as otherwise expressly stated herein, no amendment to this Agreement is valid unless in writing and signed by both parties. In no event shall terms or conditions contained in the Service Attachments or exhibits take precedence over the DIR Contract No. DIR-SDD-649. In the event of a conflict between this Agreement (including Service Attachments and Exhibits) and the DIR Contract No. DIR-SDD-649, the DIR Contract controls. The Order of Precedence for all documents shall be the DIR Contract No. DIR-SDD-649, Appendix A, Appendix B, and then Appendix C (including Service Attachments and exhibits).

Attachment for _____
Customer Premises Equipment – Verizon Business

1. General. The provisions of the Guide relating to Customer Premises Equipment or “CPE” (the “CPE Terms”) will apply to any Customer order to Verizon for one or more of the following CPE services, in the U.S. Mainland only, during the term of the Agreement of which this service attachment is a part : (i) monthly rental, (ii) term rental, (iii) installation service, (iv) maintenance service, and (v) maintenance takeover service. Orders need not be signed but Verizon will send Customer a written confirmation (including email) before processing the order. The terms and conditions herein apply only to products and services provided by MCI Communications Services, Inc. d/b/a Verizon Business Services and not those provided by other Verizon entities. Certain current Guide terms regarding CPE are described in part below (without limitation).
2. Pricing and Payment. Customer will pay the rate stated on Verizon’s order documentation for installation and other CPE Services, subject to the following. After expiration of any service term commitment by Customer for a particular unit of Equipment, Verizon may change the rates and will provide 30 days notice of any increase. Any charges for such CPE do not contribute to any minimum purchase requirement.
3. Risk of Loss. Customer bears the risk of loss or damage to rental CPE after installation and while such equipment is located at an installation site and shall pay Verizon the reasonable and customary costs of repair or replacement if loss or damage occurs.
4. Verizon Data Maintenance – Network. Verizon has the exclusive right to maintain CPE where Customer has ordered maintenance from Verizon under this Agreement. Customer acknowledges that it is Customer’s responsibility to replace (or support) CPE when it is no longer supported by the CPE manufacturer (“Unsupported CPE”). Maintenance service for Unsupported CPE is limited to the level of service Verizon can provide using commercially reasonable efforts.
5. Customer Responsibilities. Customer hereby authorizes Verizon or its assignee to endorse Customer’s name upon any uniform Commercial Code filings reasonably necessary to protect the interests of Verizon, its contractors or assignees, if any, in the CPE. Verizon and its contractors are not responsible or liable for Customer’s failure to provide backup power, or to adequately duplicate or document files or for data or files lost during the course of performance of maintenance services. Customer will provide a physical and electrical environment for the CPE that meets Verizon specifications and provide Verizon access to the CPE as reasonably necessary or useful for Verizon to perform its obligations. Customer shall not move or remove any item of CPE maintained under the CPE Terms without Verizon’s prior written consent. For rental CPE and subject to any limitations pursuant to applicable Texas Law, Customer shall provide insurance meeting Verizon’s requirements or provide proof of self-funding. Customer shall not do anything inconsistent with Verizon’s or its assignee’s interest in the CPE.
6. Warranties. Verizon warrants that maintenance service will be performed in a good and workmanlike manner. **Customer’s sole remedy for a breach of that warranty is for Verizon to reperform the defective work. Except as specifically set forth in the CPE Terms, all CPE provided by Verizon is provided “as is” without warranties of any kind. [No equipment is being purchased pursuant to this agreement, which is why the above language was stricken]**
7. Term, Termination and Early Termination Charge.
 - 7.1 If either party materially or repeatedly defaults in the performance of any of its obligations under the aspects of this Agreement that apply to CPE and does not substantially cure that default within thirty (30) days of being given notice of it, then the other party may terminate the aspects of this Agreement that apply to CPE (without affecting the remainder of the Agreement), as of a date specified in its notice of termination.

- 7.2 Upon termination, Verizon has the right to exercise one or more of the following remedies, in addition to any other remedies Verizon may exercise, in law or equity: (1) recover from Customer all amounts due and unpaid, and (2) repossess any CPE for which title has not passed to Customer. Customer must return or dispose of rented CPE in accordance with Verizon's requirements within ten (10) business days after the expiration or termination of the CPE Terms (as a whole or with respect to a particular item of Equipment), or the actual termination of service under the CPE Terms if Customer and Verizon have agreed to it occurring before the thirty (30) day notice period has expired, whichever is sooner. Customer is liable for any loss or damage to CPE resulting from theft, disappearance, fire or any other cause. For each item of CPE not returned, for any reason, within the ten (10) day period, Customer will be deemed to have purchased such CPE and shall pay Verizon the replacement cost, plus any additional costs incurred by Verizon in replacing the CPE.
- 7.3 If Customer terminates a unit of CPE service before the end of a service term commitment, Customer will pay, without limitation (a) an amount equal to the monthly recurring charges for the terminated unit of service for each month remaining in the service term commitment, and (ii) any credits received by Customer with respect to that unit.
8. Export and Legal Compliance. Customer acknowledges that certain equipment, software and technical data which may be provided under this Agreement may be subject to export and re-export controls under the U.S. Export Administration Regulations and/or similar regulations of the U.S. or any other country. Customer shall not export or re-export any such equipment, software, technical data or any direct product thereof in violation of any such laws. Customer shall comply with all laws and regulations, including but not limited to import and custom laws and regulations.